

## What is Financial Aid ?

Financial Aid refers to a wide variety of programs that help students and families pay for college or graduate school. More than 15 million students are enrolled in postsecondary study in the United States; over half of these students receive some form of financial aid.

It is important to help your child understand all financial aid options available during the college decision-making process. In addition to college application deadlines, individual colleges and Federal/State programs have application deadlines for financial assistance that must be met in order to be considered for all available financial aid.

Financial Aid is available in four forms:

- ✓ Grants
- ✓ Scholarships
- ✓ Loans
- ✓ Work-study

Three major sources provide the bulk of financial aid:

- ✓ Federal Government
- ✓ State Governments
- ✓ Colleges and Universities

Private sources of aid are also available from companies, community groups, non-governmental organizations, schools, banks, and other lending institutions.

Student aid is based on either financial need or merit-based need. Most student aid is awarded to students based on their families' financial need.



Merit-based aid is awarded to students who meet requirements not related to financial need - such as academic excellence in high school or displaying artistic or athletic talent.



Financial Aid can be the KEY to open  
the door to a good education!  
PLANNING Paves the WAY!

For more information:

Rhode Island Higher Education Assistance Authority  
[www.riheaa.org](http://www.riheaa.org)

Rhode Island Career Anchor and Parent Guide  
[www.dlt.ri.gov/crn](http://www.dlt.ri.gov/crn)

Rhode Island Board of Governors for Higher Education  
[www.ribghe.org](http://www.ribghe.org)

Rhode Island Student Loan Authority  
[www.collegeplanningcenter.org](http://www.collegeplanningcenter.org)

Rhode Island Scholarships  
[www.rischolarships.com](http://www.rischolarships.com)

New England Board of Higher Education  
[www.nebhe.org](http://www.nebhe.org)

FinAid - [www.finaid.org](http://www.finaid.org)

Free Scholarship and Grant Resources include:

College is Possible - [www.collegispossible.org](http://www.collegispossible.org)

College Board's Pay for College -  
[www.collegeboard.com/pay](http://www.collegeboard.com/pay)

FastAid - [www.fastaid.com](http://www.fastaid.com)

FastWeb - [www.fastweb.com](http://www.fastweb.com)

Peterson's Financial Aid -  
[www.petersons.com/finaid](http://www.petersons.com/finaid)

Choices, Choices Planner, Choices Explorer, or Career Futures computer programs available in many secondary schools

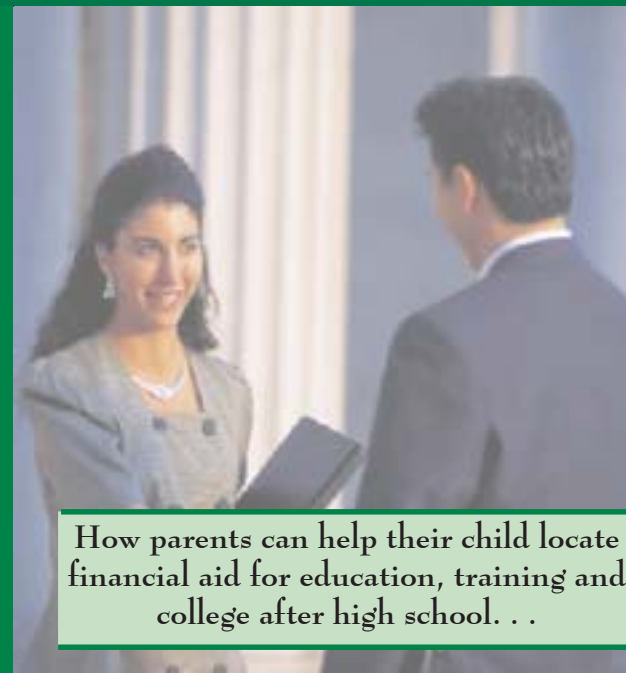
Special thanks to the National Training  
Support Center - [www.acrnetwork.org](http://www.acrnetwork.org)

DLT is an equal opportunity employer/program, auxiliary aids & services are available on request to individuals with disabilities.

7/04 MDF

How can you help your child afford the  
expense of higher education.....

## Financial Aid Resources for Post-High School Education



How parents can help their child locate  
financial aid for education, training and  
college after high school. . .

**CRN** Rhode Island Career Resource Network  
RI Department of Labor & Training  
1511 Pontiac Avenue  
Cranston, RI 02920  
(401) 462-8790 phone  
(401) 462-8766 fax  
(401) 462-8006 tdd  
[www.dlt.ri.gov/crn](http://www.dlt.ri.gov/crn)

## How can I help my child determine how to finance post-high school education?

Sit down and talk with your child about options available. First, be informed yourself. Know how much you will be able to put toward his or her education, then:

- ✓ Discuss all the financial aid opportunities and resources available.
- ✓ Meet with your child's guidance counselor to get more information about the latest merit-based and private scholarships, as well as grants.
- ✓ Check with the schools and colleges that your child is applying to for info about financial assistance they offer, and get the required applications and forms that your child must turn in to be considered for financial aid.
- ✓ Contact Rhode Island's Higher Education Office. [www.ribghe.org](http://www.ribghe.org)
- ✓ Go to the reference section of the library to find more information about financial assistance for higher education.

After researching, help your child make a list of all the financial aid resources that he or she would like to apply for. The list should also include:



- ✓ Your Family's Contribution
- ✓ Federal & State Loans
- ✓ Federal & State Grants and Scholarships

## What Federal and State Financial Aid Programs are Available to my Child?

There are many paths your child can take to get financial aid assistance for education and training after high school, depending on his or her career goals. Here are some examples:

### GRANTS

Grants do not have to be repaid; Examples include:

**Pell Grants** - Provide funds to low-income undergraduates.

**Supplemental Educational Opportunity Grants (SEOG)** - Provide grants to low-income students and helps to supplement the aid they receive from Pell Grants and other sources.

**RI State Grant Program** - Provides state grants to financially needy RI residents to help pay for college costs. [www.riheaa.org](http://www.riheaa.org)

Loans financed by the Federal Government are guaranteed and designed to give your child flexible repayment options. Examples include:

**Federal Family Education Loan (FEEL)** - Makes loans available to students through about 7,100 participating private lenders.

**William D. Ford Student Loan** - Uses federal treasury funds to provide loan capital directly to schools which then disburse the funds to students.

**Perkins Loan** - Provides low interest loans to undergraduate and graduate/professional students who demonstrate financial need.

**Work-Study** provides part-time jobs to undergraduates and graduate/professional students, either on or off their college campus. Options for work-study can be found on federal and college financial aid applications and web sites.



**Scholarships** are similar to grants; they do not have to be repaid. They are usually awarded on merit-based achievements such as academic excellence or special talents, financial need is sometimes a large part of the award decision-making process. Organizations, foundations, businesses and other groups offer scholarships to students based on different factors. Help your child investigate the possibilities by talking to the guidance counselor or by visiting the local library.

**TRIO** programs provide services to low-income students, including assistance in choosing a school; tutoring; personal and financial counseling; career counseling and workplace visits. For more information, visit [www.ed.gov/about/offices/list/ope/trio/index.html](http://www.ed.gov/about/offices/list/ope/trio/index.html).

**Hope Scholarship Tax Credit** allows students or their parents to claim up to \$1,500 for each student for out-of-pocket tuition and fees. The credit is available for each of the first two years of classes toward a degree or certificate from a college or vocational school.

**Lifetime Learning Tax Credit** allows college students or their families to claim up to 20% of qualified out-of-pocket expenses associated with earning a degree per year.

**Coverdell Education Savings Account** is a savings account to finance the education expenses of a child or beneficiary. Contributions are limited to \$2,000 per year and are not tax deductible, but funds grow tax free until withdrawn to pay college tuition.

**College Based Financial Aid** is another option. Nearly 19% of available aid comes from colleges. Contact the financial aid office at the college/university that your child wishes to attend for more information.